

# REVENUE PROPOSAL FOR RICHMOND GRAND RESORT AND CASINO

The destination resort and casino is estimated to create \$30 million in total annual revenue. Using just the annual gaming tax revenue, currently estimated at \$19 million, collected from the destination resort and casino project, the Mayor and City Council are proposing to create the first-ever Richmond **Child Care and Education Trust Fund** to address Richmond's growing child care crisis. The remaining approximately \$11 million would go into the City's General Fund for appropriation during the annual budget process.

Using the annual allocation of \$19 million, the Trust Fund would:

1. **Make child care and preschool more affordable** by providing tuition assistance to Richmond families;
  - a. Our goal is that families will not have to spend more than 10 percent of their income on quality care for their children under 5.
2. **Increase the availability of quality child care and preschool** by providing grants to certain community-based providers, prioritizing those providers in communities where there is greatest need; and,
3. **Support the Richmonders who teach and care for our youngest children** by increasing compensation and providing support.



The City will work with an expert nonprofit, Thrive Birth to Five, to manage and administer the Trust Fund.

In addition to the annual revenue, the City of Richmond will also receive a one-time payment of \$26.5 million. Those funds will be used to:

1. Build new 100-seat child care and preschool centers at T.B. Smith and Southside Community Centers (~\$7M each);
2. Dedicate \$8M to Parks and Recreation projects across the city, including improvements at Humphrey Calder Community Center, Battery Park, Pine Camp Cultural Arts Center, Forest Hill Playground, Pony Pasture and James River Park System, Westover Hills Community Center, Annie Giles Community Center, Hotchkiss Pool, and Montross Heights Playground; and,
3. Allocate \$4.5M to establish the Child Care and Education Trust Fund, which will allow the City to expand access to affordable child care and education programs across the city as soon as fall 2024.

## Why establish a Child Care and Education Trust Fund?

Investments in early childhood care and education benefit everyone – from the children themselves to their parents and caregivers.

**HIGH-QUALITY EARLY CHILDHOOD LEARNING EXPERIENCES INCREASE THE LIKELIHOOD OF**

- improving proficiency in reading and math
- graduating high school on time and completing postsecondary education
- joining the workforce
- decreasing the odds of substance use disorder and criminal activity
- supporting physical and mental health throughout life

THERE IS A CRITICAL NEED TO EXPAND CAPACITY

**\*THERE'S ONLY ONE PUBLICLY FUNDED EARLY CHILD CARE SLOT FOR EVERY EIGHT INFANTS AND TODDLERS IN POVERTY IN CENTRAL VIRGINIA**

\*FOR FAMILIES WITH INCOMES UNDER 200% OF THE FEDERAL POVERTY LEVEL

VIRGINIA PARENTS WILL FACE A CHILD CARE CLIFF AT THE END OF JUNE 2024

**1,383** CHILD CARE PROGRAMS ARE PROJECTED TO CLOSE

**88,265** VIRGINIA CHILDREN ARE EXPECTED TO LOSE CHILD CARE

**= \$280,000,000**

LOSS IN EARNINGS DUE TO BEING FORCED TO CUT WORK HOURS OR LEAVE THE WORKFORCE

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